

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)
COMMISSION OF THE APPLICATION OF THE)
FUEL ADJUSTMENT CLAUSE OF FOX CREEK) CASE NO. 10449
RURAL ELECTRIC COOPERATIVE)
CORPORATION FROM NOVEMBER 1, 1986)
TO OCTOBER 31, 1988)

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 6, 1988 established this case to review and evaluate the operation of the fuel adjustment clause of Fox Creek Rural Electric Cooperative Corporation ("Fox Creek") from November 1, 1986 to October 31, 1988.

As a part of this review, the Commission ordered Fox Creek to submit certain information including, inter alia, its monthly fuel charges for the period under review and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Fox Creek has complied with this Order. The Commission further ordered that a public hearing be held in this case, but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

The Commission, having considered the evidence of record and being sufficiently advised, is of the opinion and finds that:

1. Fox Creek has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056.

2. East Kentucky Power Cooperative, Inc. ("EKPC"), the wholesale supplier of Fox Creek, has been authorized to transfer (roll-in) a 0.80 mills per KWH decrease in its base fuel cost to its base rates.¹

3. Fox Creek should be authorized to transfer (roll-in) a 0.87 mills per KWH decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.80 mills per KWH decrease in EKPC's base rates and this can best be accomplished by an energy adder to each KWH sold.

4. The rates and charges in Appendix A, attached and incorporated hereto, are fair, just, and reasonable and reflect the transfer of fuel costs from the fuel adjustment clause to the base rate.

IT IS THEREFORE ORDERED that:

1. The charges and credits applied by Fox Creek through its fuel adjustment clause for the period November 1, 1986 to October 31, 1988 be and they hereby are approved.

2. Fox Creek be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by EKPC from its fuel adjustment clause to its base rates.

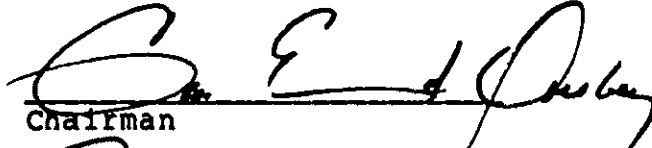
¹ Case No. 10437, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative Corporation, Inc.

3. The rates in Appendix A are approved for service rendered by Fox Creek on and after May 1, 1989.

4. Within 30 days of the date of this Order, Fox Creek shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 31st day of March, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 10449 DATED 3/31/89

The following rates and charges are prescribed for the customers in the area served by Fox Creek Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE R
RESIDENTIAL SERVICE*

Rate

Minimum Bill	30 KWH Per Month	\$5.57	Per Month
Next	50 KWH Per Month	.12269	Per KWH
Next	420 KWH Per Month	.06639	Per KWH
All Over	500 KWH Per Month	.06079	Per KWH

Monthly Minimum

The minimum monthly charge under the above rate shall be \$.90 per kVA of transformer capacity but in no case less than \$5.57.

SCHEDULE R - T-O-D
RESIDENTIAL SERVICE T-O-D*

Rate

On-Peak Rate			
First 80 KWH/Month		.12269	per KWH
81 to 500 KWH/Month		.06639	per KWH
Over 500 KWH/Month		.06079	per KWH
Off-Peak Rate			
First 80 KWH/Month		.07157	per KWH
81 to 500 KWH/Month		.03779	per KWH
Over 500 KWH/Month		.03443	per KWH

SCHEDULE C
COMMERCIAL AND SMALL POWER*

Rate

Minimum Bill	30 KWH Per Month	\$5.57 Per Month	
Next	50 KWH Per Month	.12300	Per KWH
Next	20 KWH Per Month	.06670	Per KWH
Next	900 KWH Per Month	.08070	Per KWH
Next	2,000 KWH Per Month	.07370	Per KWH
Over	3,000 KWH Per Month	.06390	Per KWH

Monthly Minimum

The minimum monthly charge under the above rate shall be \$.90 per kVA of transformer capacity but in no case less than \$5.57.

SCHEDULE L
LARGE POWER SERVICE (50 TO 200 KW)*

Rate

First	50 KWH Per KW of Billing Demand	.07018	Per KWH
Next	100 KWH Per KW of Billing Demand	.06618	Per KWH
Over	150 KWH Per KW of Billing Demand	.05628	Per KWH

SCHEDULE A
RURAL LIGHTING AND COMMUNITY STREET LIGHTING

Service for the above unit shall be unmetered and billed on the member's monthly bill for other electrical service furnished by the Cooperative at the rate of \$5.29 each and every month.

SCHEDULE R2
RESIDENTIAL MARKETING RATE

Rate:

All KWH .03647 Per KWH

SCHEDULE C1
LARGE INDUSTRIAL (1,000 to 4,999 KW)

Rates:

Energy Charge .03135 Per KWH

SCHEDULE C2
LARGE INDUSTRIAL (5,000 to 9,999 KW)

Rates:

Energy Charge .02635 Per KWH

SCHEDULE C3
LARGE INDUSTRIAL (Over 10,000 KW)

Rates:

Energy Charge .02535 Per KWH

*Fuel Adjustment Charge

All rates are applicable to the Fuel Adjustment Clause and may be increased or decreased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10 percent and is based on a 12-month moving average of such losses. This Fuel Clause is subject to all other applicable provisions as set out in 807 KAR 5:056.